



Heather Shirley Smith  
Deputy General Counsel

Duke Energy  
40 W. Broad Street  
Suite 690  
Greenville, SC 29601

O: 864.370.5045  
F: 864.370.5183

Heather.smith@duke-energy.com

October 29, 2021

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Executive Director  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

**Re: Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of CPRE Queue Number Proposal, Limited Waiver of Generator Interconnection Procedures, and Request for Expedited Review**

**Third Quarter 2021 Generator Interconnection Report  
Docket No. 2018-202-E**

Dear Ms. Boyd:

Pursuant to Order No. 2018-803(A) (the “Order”) issued in the above-referenced docket, please find attached for filing the third quarter 2021 Generator Interconnection Report of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, the “Companies”).

In the Order, the Commission directed “[t]he Companies shall update and file reports with the Commission and ORS similar to those reports required by the NCUC and Public Staff in the CPRE Program Docket Nos. E-2, Sub 1159 and E-7, Sub 1156, and the North Carolina Interconnection Procedures Docket No. E-100, Sub 101.” The reporting required by the Order details and analyzes the Companies’ processing of South Carolina Interconnection Customers under then-existing South Carolina Generator Interconnection Procedures (“SC GIP”) serial generator interconnection study process as well as the Companies’ parallel efforts to process and study South Carolina Interconnection Customers participating in the North Carolina Competitive Procurement of Renewable Energy (“CPRE”) Program under the SCGIP waivers and grouping study process approved in the Order for CPRE Tranche 1 as well as in Order No. 2019-817 for CPRE Tranche 2. The Companies have filed 11 quarterly reports in the above-captioned docket since January 2019, describing their efforts to administer the SCGIP serial interconnection study process and parallel efforts to fairly administer the interconnection-related waivers authorized by the Commission for CPRE Tranche 1 and CPRE Tranche 2. At this time, however, the Companies

The Honorable Jocelyn G. Boyd

October 29, 2021

Page 2

believe the quarterly reporting is no longer warranted due to the Companies completion of the CPRE Tranche 1 and CPRE Tranche 2 grouping studies and recent queue reform transition of the SCGIP. As the Companies noted in their last quarterly report, this Commission and the North Carolina Utilities Commission ("NCUC") both approved the Companies' queue reform proposals. On August 12, 2021, in Docket No. 2019-326-E, the Companies notified the Commission that the FERC issued a complementary approval of the Companies' queue reform initiative on August 6, 2021.

Accordingly, as of August 20, 2021, the Companies are no longer administering the serial interconnection study process and are transitioning the Companies' prior serial queue study process to a Cluster Study process as authorized in Section 3 of the SCGIP Appendix Duke CS. The transitional eligibility window closes on October 31, 2021 and the Companies will be able to provide a final report on the Companies' queue reform transition in its Q4 update report to be filed in December 2021.

The Companies have now completed processing CPRE Tranche 2 projects under the SCGIP waivers and grouping study process approved by the Commission. Prior to filing the fourth quarter update report in this docket, the Companies plan to confer with the Office of Regulatory Staff and the Carolinas Clean Energy Business Alliance as to whether these parties agree that it is appropriate to discontinue this reporting requirement.

Sincerely,



Heather Shirley Smith

Attachment

C: Parties of Record (via email w/ attachment)

**Generator Interconnection Report Pursuant to Order No. 2018-803(A)**  
**Docket No. 2018-202-E**  
**October 29, 2021**

**I. Status of the Companies' Queues**

**RESPONSE:**

In past update reports, the Companies have provided a summary of the Companies' serial study queues for the most recent quarter, including information on all Interconnection Requests ("IR") 20kW and greater that are in operation or currently active in the Companies' South Carolina state-jurisdictional interconnection queues at both the transmission and distribution level.

Since receiving Commission, Federal Energy Regulatory Commission, and North Carolina Utilities Commission approval to implement queue reform and commencing the queue reform transition on August 20, 2021, the Companies are no longer administering a serial interconnection queue. Currently, the Companies are in the transitional eligibility window to transition the Companies' prior serial queue study process to a Cluster Study process as authorized in Section 3 of the South Carolina Generator Interconnection Procedures ("SCGIP") Appendix Duke CS. The Cluster Study process is referred to as the "Definitive Interconnection Study Process" and IRs submitted during the transitional period will be studied consistently through the Definitive Interconnection Study Process. This study process bases queue priority on project clusters instead of determining a project's priority serially based on its individual queue number.

The transitional eligibility window closes on October 31, 2021 and the Companies will be able to provide final details on the transition to queue reform in its Q4 update report to be filed in January 2022.

**Figure 1**

<b>SC Transition Cluster Elections</b>		
<b>Distribution or Transmission</b>	<b>DEC</b>	<b>DEP</b>
Distribution	4	19
Transmission	20	12

*Figure 1 represents all SC projects that have elected into the Cluster Study process as of October 21, 2021. These figures are not representative of whether project readiness has been demonstrated.*

## II. Reasons for the SC Interconnection Queue Challenges

### RESPONSE:

The reasons for the Companies' SC interconnection queue challenges remain the same as those described in prior quarterly reports. However, due to the Companies' transition to Definitive Interconnection Study Process, the Companies are no longer administering a serial interconnection queueing and study process, which was a major cause of these past challenges.

## III. The Companies' Plans to Remedy the Queue Challenges

### RESPONSE:

The Companies have received required approvals from the Federal Energy Regulatory Commission, the North Carolina Utilities Commission, and this Commission to implement queue reform. Queue reform, and studying IRs in clusters pursuant to the Definitive Interconnection Study Process, will help remedy the queue challenges addressed in recent quarterly reports. As described in Section I of this report, the Companies are currently in the transitional eligibility window that is scheduled to close on October 31, 2021. The Companies' goal is then to open the enrollment for the first DISIS cluster study on January 1, 2022.

## IV. Indicate Which Projects Have Been Bid into CPRE (including which projects were selected as CPRE winners and which projects bid into CPRE but were not selected)

### RESPONSE:

The following provides information related to CPRE Tranche 1 and Tranche 2, for which the Commission granted the requested waivers to the prior serial interconnection study process in Order Nos. 2018-803(A) and 2019-817 issued in this docket.

Please see the August 1, 2019 report filed in this docket that includes the CPRE Tranche 1 winners and projects that were not selected.

As identified in the July 30, 2021 report filed in this docket there was one South Carolina project selected in Tranche 2:

Queue Number	MW AC
2020-03-09 20:02:00	75.0

The following South Carolina projects that were bid into CPRE Tranche 2 but were not selected:

Queue Number	MW AC
2020-03-09 20:05:00	25.0
2020-03-09 22:01:00	34.0
2020-03-09 22:05:00	58.0
2020-03-09 22:06:00	74.9
2020-03-09 22:07:00	28.0
2020-03-09 22:08:00	75.0
2020-03-09 22:10:00	30.0
2020-03-09 22:11:00	35.0
2020-03-09 22:12:00	74.9
2020-03-09 22:14:00	47.0
2020-03-09 22:15:00	30.0
2020-03-09 22:16:00	35.5
2020-03-09 22:17:00	74.9
2020-03-09 22:18:00	30.0
2020-03-09 22:19:00	35.5
2020-03-09 22:21:00	40.0
2020-03-09 23:02:00	74.9

**V. Identify the Intervals for Every Significant Milestone for Every Queued Ahead Non-CPRE Project (if requested by the Office of Regulatory Staff)**

**RESPONSE:**

As noted in Sections I and III above, the Companies are no longer administering a serial interconnection queue. The Companies are currently in the transitional eligibility window to transition the Companies' prior serial queue study process to a Cluster Study process. In terms of significant dates, the transitional eligibility window closes on October 31, 2021 and the Companies then intend to open the enrollment for the first definitive cluster study on January 1, 2022.

**VI. Provide Aggregate Statistics on CPRE and Non-CPRE Projects, including:**

- a. The actual allocation of FTEs and person-hours devoted to the processing of CPRE and non-CPRE projects (for the transmission and distribution queues), including on a per-project and per-megawatt basis.

RESPONSE:

Please see the October 31, 2019 Report for these details for CPRE Tranche 1. The CPRE Tranche 1 winners have executed Interconnection Agreements and exited the queue. Each project will progress through the construction phase to commercial operation based on the milestones established in the Interconnection Agreement. The Companies intend to provide information for Tranche 2, similar to the Companies' October 31, 2019 report for Tranche 1, in the Q4 2021 report, after the Tranche 2 winners have executed interconnection agreements and exited the queue.

- b.** Information on Interconnection Study Intervals for System Impact Studies and Facilities Studies for CPRE versus non-CPRE projects.

RESPONSE:

Please see Section V. All CPRE Tranche 1 winners have progressed through System Impact Study and Facilities Study. The Companies intend to provide information for Tranche 2, similar to the October 31, 2019 report for Tranche 1, after the Tranche 2 winners have completed Facilities Study.

- c.** Information on Interconnection Study Backlogs for CPRE versus non-CPRE projects.

RESPONSE:

One South Carolina CPRE Tranche 2 project was in the interconnection study queue as of the August 20, 2021 notice of transition to the Definitive Interconnection Study Process; all other South Carolina CPRE projects had exited the study queue prior to this notice date. This project is subject to the transition procedures and has elected to follow the transitional serial path to readiness.

Similarly, all non-CPRE projects that were in the interconnection study queue as of the August 20, 2021 notice of transition to the Definitive Interconnection Study Process are subject to the Section 3 transition procedures of Duke Appendix CS. As a result of the transition to queue reform, the Companies are now applying the same Commission-approved transitional study procedures to CPRE projects as non-CPRE projects.

- d.** The number of CPRE versus non-CPRE projects that achieved each significant interconnection milestone (i.e. system impact study complete, facilities study complete, IA signed, interconnection achieved) during the reporting period.

RESPONSE:

All CPRE Tranche 1 winning projects have completed the study process, signed Interconnection Agreements, and are in the construction phase. One CPRE Tranche 2 winning project completed System Impact Study in Q2 2021 and is in the Facilities Study process under the transition procedures as of Q3 2021.

All non-CPRE projects in the queue as of August 20, 2021, have the option to proceed under the transitional study process during the transitional eligibility window closing October 31, 2021. The Companies will provide additional information in the next quarterly report regarding the number of projects that entered the Transitional Cluster process.